

The

CORPORATION JOURNAL

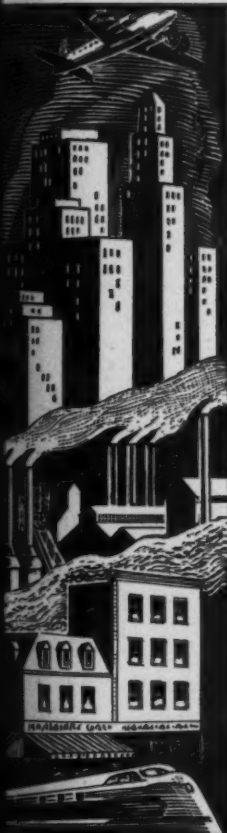
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W H E T H E R

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state tax trends

Out-of-State Tax Collection

DURING the past few years, six states have taken steps, by legislation, to facilitate the collection of taxes by other states. They have done this by opening their courts to the tax collecting officials of other states to suits against tax-debtors. A condition imposed, however, in each instance, has been that any state seeking to take advantage of such legislation must first have extended a like courtesy by, in effect, enacting reciprocal legislation.

These six states are Alabama, Maine, Minnesota, Oregon, Tennessee and Wisconsin. Similar legislation was introduced, in 1949, in the Connecticut, Florida and Iowa Legislatures, but failed of passage.

Three states which have had somewhat similar provisions in their statutes for a longer period are Georgia, Missouri and Oklahoma. The Georgia and Oklahoma laws specifically call for "a like comity" on the part of any state seeking to use the Oklahoma courts, but that of Missouri does not mention such a condition precedent. The Georgia provision, most succinct of all, enacted as Section 47 of Act 296, Laws 1937-1938, reads:

"Interstate Comity.—The courts of this State shall recognize and

enforce liabilities for taxation lawfully imposed by other states which extend like comity."

In the absence of such reciprocal legislation, permitting state tax collecting officials to sue in their official capacity directly for taxes due, the trend of the decisions has been to indicate that, before suit can be brought in the courts of another state, the taxing state must first reduce its tax claim to judgment in its own courts, and then institute suit on that judgment in the courts of a state in which the tax debtor can be found. This is apparently still the situation with respect to those states which have not enacted such reciprocal legislation.

Three of the six states which have adopted the reciprocal legislation in the past two years have specifically included penalties and interest charges in their definition of the term "taxes," and one of these, Alabama, has included "contributions under an Unemployment Compensation Law or other contributions in the nature of a tax" and "licenses and fees."

In Maine, Minnesota, Oregon and Wisconsin, the Attorneys General are specifically empowered to institute suits in the courts of other states to collect taxes due.



domestic corporations

DELAWARE

Employee's alleged breach of duty in using confidential information regarding corporation's purchases of its own stock in order to obtain a profit on his own account, regarded as stating a cause of action.

One of the individual defendants moved to dismiss the amended complaint as to him because it alleged no cause of action, in a suit by a shareholder of defendant company, on behalf of the corporation against certain of its directors and officers and also against the moving defendant, an employee. The gravamen of the charge against him was that at all times material he was employed in an "executive capacity" and as "confidential secretary" to one of the defendants who was a director and officer of the company; that in those capacities he had access to confidential information concerning the operations of the company and its subsidiaries. It was alleged that he used advance knowledge of purchases by the company or its controlled subsidiaries of its own stock in the open market, which resulted in a rise in market price, to purchase shares for his personal account, or for the account of his nominees, prior to the corporate purchases, and thereafter sold

at a profit; that such purchase for this employee's account was a breach of duty owed to the company, for which an accounting of the profits to the company was sought by the plaintiff stockholder.

The Court of Chancery, New Castle County, denied the motion to dismiss the complaint, citing the general rule that when one in a confidential or fiduciary position, in breach of his duty, uses his knowledge to make a profit for himself he is accountable for the profit.

Brophy v. Cities Service et al., Court of Chancery, New Castle County, December 14, 1949. Daniel F. Wolcott of Southerland, Berl & Potter of Wilmington, for Thomas F. Kennedy. Robert C. Barab of Wilmington (Nathan B. Kogan of New York, of counsel), for Kathryn V. Brophy, Executrix of Alice E. Brophy, deceased. Commerce Clearing House Court Decisions Requisition No. 421724.

NEW YORK

Director of membership corporation permitted to inspect records but not to make copies, and to communicate with members by having corporation address and send director's communication.

Petitioner, a director of respondent membership corporation, sought an order requiring the corporation to al-

low him "to inspect and take copy of the membership list, and such books of account and other records of said

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Investors League, Inc., as record names and addresses of contributors and the amounts contributed to Investors League, Inc. from January 1, 1948 until the present." The corporation opposed the application upon the ground that petitioner had organized another membership corporation having similar purposes and that he desired the list of members for the purpose of aiding that other corporation in competing with the respondent. The New York Supreme Court, Special Term, New York County, Part I, ruled:

"The order herein shall provide that petitioner alone may inspect the membership list and such books of account and other records as contain names and addresses of contributors since January 1, 1948. It may not make copies thereof. Respondent shall, at its own expense, promptly send to all its members, by first class mail, any communication submitted to it by petitioner. Such communication shall be enclosed in an envelope bearing petitioner's name and address and shall

not be accompanied by any other material. Respondent's president shall execute and furnish to petitioner an affidavit that such mailing has been effectuated. If the corporation, or any of its directors or officers send any answering communication to the members, such communication shall be promptly furnished to petitioner. Any reply communication prepared by him shall be sent out in the same manner as the original communication. If there is any undue delay on respondent's part in sending petitioner's communication to its members, or if he is not afforded adequate opportunity to prepare a reply, application may be made at the foot of the order on two days' notice for appropriate relief, which may include a direction for adjournment of the annual meeting."

Javits v. Investors League, Inc. et al., 92 N. Y. S. 2d 267. Javits & Javits of New York City, for petitioner. Tanzer & Mullaney (Frederick L. Kane, of counsel), of New York City, for respondents.

TEXAS

Secretary of State held required to file charter of a proposed corporation containing "Trust" in its name, where purpose was to act as trustee under an express trust.

Petitioners sought a writ of mandamus to compel respondent Secretary of State to file the charter of a proposed corporation to be known as "Stewart Trust Company," under Art. 1303b, Vernon's Ann. Civ. Stat., providing: "A private corporation may be formed for any one or more of the following purposes, *without banking or insurance privileges*: to accumulate and loan money; to sell and deal in notes, bonds and securities; to act as Trustee under any lawful express trust committed to

it by contract or will, or under appointment of any court having jurisdiction of the subject matter, and as agent for the performance of any lawful act; to subscribe for, purchase, vest in ** and dispose of shares of capital stocks, bonds, mortgages, debentures, notes and other securities or obligations, contracts and evidences of indebtedness of foreign or domestic corporations not competing with each other in the same line of business; to borrow money or issue debentures for carry-

ing out any or all purposes above enumerated." (*Italics by the court.*)

The purpose clause of the proposed charter was in the identical words of this statute.

The Supreme Court of Texas after considering the history of the Article quoted and of Article 342—902, barring the use of the word "trust," among others, in a corporate name, with certain exceptions, ruled that the petitioners were entitled to the writ to compel the Secretary of State to file the charter, observing that "it is clear that there are two methods of organizing a corporation with trust powers. Under Art. 1303b it can be organized, upon proper application to the Secretary of State, for the purposes there

stated but cannot exercise any privileges as a bank. Under the Banking Code it can be incorporated, upon proper application to the Banking Commissioner, for the purposes there stated and may exercise banking privileges. This gives meaning to the language of Art. 342—902 that its prohibition shall not apply to a corporation authorized under its charter or the laws of this State to conduct a trust business."

Stewart et al. v. Ramsey, Secretary of State, 223 S. W. 2d 782. Stewart, Burgess & Morris, W. Carlross Morris, Jr., Sam W. Mintz, DeLange & Hudspeth, Albert J. DeLange, C. M. Hudspeth, for relator. Price Daniel, Attorney General, C. K. Richards, Assistant Attorney General, for respondent.



foreign corporations

ILLINOIS

Federal court refuses, after entry of judgment, to consider motion of defendant to vacate judgment on ground that foreign corporation plaintiff was unlicensed and barred from suing by statute in state and Federal courts.

Plaintiff New York corporation obtained a judgment in the United States District Court, Northern District of Illinois, Eastern Division, forbidding defendant to use the name "Metropolitan" which also appeared in the name of the corporate defendant. Subsequently, defendant filed a motion to vacate the judgement, urging that the court had no jurisdiction to hear and determine the issues in the case, re-

ferring to the Illinois statutes requiring the obtaining of a license by foreign corporations doing business in the state, which plaintiff had not procured.

The court noted that defendant relied upon the case of *Woods v. Interstate Realty Co.*, 69 S. Ct. 1235, (*The Corporation Journal*, October, 1949, page 3). There, an unlicensed foreign corporation, doing business in Missis-

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issippi, which was barred by state law from enforcing its contracts in the state courts, was also held barred from suing in a Federal court. The District Court, while observing that plaintiff might not have maintained its suit in the present case if the question of its lack of qualification had been presented to the court on the trial, ruled that the court was not lacking in jurisdiction to hear and determine the case presented to it, the requirements as to diversity of citizenship and the requisite jurisdictional amount having been met, and that the judgement was not void, pointing out that, "even had this action been brought in the state court and had the defendant failed to raise

the question, the judgment would not have been void, but could have been enforced were no appeal taken."

Metropolitan Opera Association, Inc. v. Metropolitan Opera Association of Chicago, Inc., * United States District Court, Northern District of Illinois, Eastern Division, September 12, 1949. Haight, Goldstein & Hobbs of Chicago, for plaintiff. Russell & Bridewell, Maurino R. Richton of Chicago, for defendant. Commerce Clearing House Court Decisions Requisition No. 416958.

* The full text of this opinion is printed in the **State Tax Reporter**, Illinois, page 526.

NEW YORK

Foreign non-profit charitable corporation, soliciting funds in state, for which it had no authority, ruled "doing business" and required to be licensed to conduct that business.

Defendant Colorado non-profit company had obtained a certificate of authority to establish and maintain a hospital in a designated town in the State of New York. Concededly, it had never established a hospital there or elsewhere in the state. Its activities conducted in the state, not outlined in its certificate, consisted of maintaining an office in New York City, conducting steady and continuous solicitation of funds, periodically punctuated by elaborate fund-raising campaigns, almost half of its total income being collected within New York State.

The New York Supreme Court, Special Term, New York County, Part I, in a suit instituted by the Attorney General to restrain the company from transacting this type of business in the state, for the doing of which it

had no specific authority, remarked: "Numerous cases have pin-pricked the areas of 'doing business' as applied to stock corporations engaged in commerce. The relatively few cases relating to non-profit membership corporations do not delineate similar areas in such detail. But the common denominator for the 'business' of both types of corporation would seem to be the statutory definition, namely, 'the activities for which such corporation shall have been organized.' And on that basis most of the norms prescribed for doing business by commercial corporations appear to apply with equal validity to non-profit corporations."

People v. Jewish Consumptives' Relief Society, 92 N. Y. S. 2d 157. Nathaniel L. Goldstein, Attorney General (Theodore D. Ostrow, Asst. Atty.

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General, of counsel), for plaintiff. Mitchell Salem Fisher of New York City, for defendant. (Note: While the above mentioned litigation was pending, the defendant company, without informing the court of this litigation, succeeded in obtaining approval of this court for the amending of its original statement and designation so as to strike out its authority to establish and maintain a hospital in New York, and to substitute therefor permission to maintain a general business office in the state and to invite contributions.

A motion of the Attorney General to vacate and set aside this approval was granted, the court observing: "Had the court been informed of the pending action brought by the People of the State of New York against this foreign corporation it would have, in the exercise of its discretion, refused to approve of the proposed amended certificate and designation until after the determination of the plenary action." In re *Jewish Consumptives' Relief Society*, 92 N. Y. S. 2d 673.)

Complaint dismissed on cause of action arising out of tort committed in another state, where plaintiff was a non-resident and defendant a foreign corporation licensed in state.

Defendant foreign corporation, authorized to do business in New York, moved to dismiss the complaint filed by a non-resident on a cause of action arising out of a tort committed in Pennsylvania, upon the ground that the court should decline jurisdiction of the action, since neither party was a resident of New York when the action was commenced.

The New York Supreme Court, Kings County, Special Term, Part I, felt constrained to conclude, in the light of controlling authorities, that it could not retain jurisdiction of the action and granted the motion to dismiss, observing: "In the absence of special circumstances, our courts have repeatedly refused, in their discretion,

to entertain jurisdiction over causes of action arising out of a tort committed in a foreign state where both plaintiff and defendant are non-residents. No such special circumstances are shown here sufficient to warrant the retention of jurisdiction."

Fishkin v. Transcontinental & Western Air, Inc., * New York Supreme Court, Kings County, Special Term, Part I, November 18, 1949; 122 N. Y. L. J. 1301. Commerce Clearing House Court Decisions Requisition No. 420707.

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*The full text of this opinion is printed in the *New York Corporation Law Reporter*, page 9407.

Service on "district manager" of corporation upheld.

The defendant corporation had, on occasion, designated the individual served with process as its New York district manager. In denying a motion to set aside the service, the New York Su-

preme Court, New York County, Special Term, Part I, remarked: "If to obtain business in this jurisdiction defendant describes this individual as its New York district manager, such he is

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for the purpose of service of process by application of the simple rules of estoppel."

Rice v. Frederick Iron & Steel Co., Inc., * New York Supreme Court, New York County, Special Term, Part I, November 21, 1949; 122 N. Y. L. J.

1314. Commerce Clearing House Court Decisions Requisition No. 420247.

— * The full text of this opinion is printed in the *New York Corporation Law Reporter*, page 9404.

PENNSYLVANIA

Specific performance of contract denied where corporate defendant's charter was suspended by home state at time of execution of contract.

Plaintiff sought specific performance of a written contract under which defendant New Jersey corporation, registered to do business in Pennsylvania, had agreed to convey real estate located in Allegheny County, Pennsylvania. However, at the time of the date of the agreement and at the time set for its performance, the defendant was subject to an injunction of the Court of Chancery of New Jersey restraining it from transacting business until certain delinquent taxes were paid and its charter had previously been declared inoperative and void by proclamation of the Governor of New Jersey. Five days after the date set for performance defendant received a higher offer for the property. It proceeded to exercise a right reserved in the contract to receive such an offer and to accept it, upon notice to plaintiff and upon a return of plaintiff's deposit. Such notice was given and the deposit was subsequently returned to plaintiff. Shortly after defendant's receipt of the higher offer, defendant was reinstated, upon appropriate proceedings in New Jersey and the following day this suit was brought.

The Supreme Court of Pennsylvania affirmed a judgment in favor of the defendant corporation, remarking:

"Whether the statute or the rule of comity be applied, the courts of this Commonwealth will give effect to the judicial decree of the Court of Chancery of New Jersey operating in personam, and the court below properly declined to make an order which would require defendant to violate the injunction. So long as the injunction was in effect the court properly treated defendant's officers as without power to bind the defendant by the contract of February 3, 1947. In such circumstances, the courts of this state will not require them to incur the penalties which the New Jersey courts had power to impose." The court also observed that after the proceedings in New Jersey resulting in the reinstatement of the charter and the dissolution of the injunction, the defendant was competent to make a contract of sale or to adopt that agreed upon with the plaintiff.

Quarture v. C. P. Mayer Brick Co., 69 A. 2d 422. Karl E. Weise, Albert C. Hirsch, Hirsch & Shumaker of Pittsburgh, for appellant; Strassburger & McKenna, J. Frank McKenna, J. Frank McKenna, Jr., Charles F. McKenna and David Silverblatt of Pittsburgh, for appellee.

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become due during March. And the listing shown here is only half complete.

If you are concerned with only one, a half dozen or all March requirements for corporations, you will find that C T Notification Bulletins—an integral part of our system of corporate protection—will materially cut down your “looking up” time and authentic, these Bulletins keep the recipient informed of all new state requirements. Here, in simplified form, is the information which you need to have about each requirement in order to determine whether his client can comply with it—and if so, when and how it may be complied with.



taxation

GEORGIA

Maintenance of office by foreign corporation, having local bank account, and soliciting orders sent to home office in another state for acceptance or rejection, ruled not "doing business" so as to require payment of income tax.

The Fulton County Superior Court recently directed a verdict in favor of a foreign corporation upon which the State Commissioner of Revenue sought to impose a state income tax. While the court's remarks in connection with its directed verdict are brief, they indicate the court's view that liability to the income tax would not necessarily arise from solicitation of business through a Georgia office where effected by correspondence, through individual personal solicitation, or the sending out of samples. The court also observed: "I don't know that the payment of unemployment compensation taxes has anything to do with the case; it simply shows that they recognized they were liable for unemployment taxes on their employees in Georgia. I don't know that that indicates any admission that they have a situs here for income tax purposes. Now, the

fact that they borrowed money from Georgia banks or from a bank in Atlanta may have some significance but, in view of the testimony in this case, I don't see that it was related to the business which is claimed to have been done by the mills in Georgia. It was, of course, in aid of the general business of the company. It was not in aid, particularly, of the general business done through this office or contended to be done through this office."

*Redwine, Commissioner of Revenue v. Dan River Mills, Inc., * Fulton Superior Court, December 12, 1949. Commerce Clearing House Court Decisions Requisition No. 421635. (It is possible an appeal may be taken in this case to the Georgia Supreme Court.)*

* The full text of this opinion is printed in the **State Tax Reporter**, Georgia, page 1670.

Federal District Court rules it has no jurisdiction over proceedings against the State seeking to establish complainant's rights to property tax exemption.

Complainant railroad and banking company instituted suit in the United States District Court, Northern District of Georgia, against defendant as State Revenue Commissioner to enjoin the assessment and collection of ad valorem taxes. Complainant had been

granted exemption from such taxes by an Act of the Georgia Legislature in 1833. The corporation alleged such assessment and collection would be contrary to the provisions of its legislative charter and thus impair the obligation of the contract. Defendant moved to

dismiss the complaint, asserting that the present suit, which followed similar litigation extending as far back as 1907, was in effect one against the State of Georgia, and one over which the court had no jurisdiction because of the provisions of the 11th Amendment to the Constitution of the United States. This Amendment provides that "the judicial power of the United States shall not be construed to extend to any suit in law or equity, commenced or prosecuted against one of the United States, by citizens of another State, or by citizens or subjects of any foreign state."

The District Court, after a consideration of allegations that the State had in prior litigation waived its immunity from suit by the participation in its behalf by the Attorney General of Georgia, and after an examination of pertinent statutes, concluded that there was no sufficient showing made that in the original proceedings in this court the state waived its immunity from suit or became bound by a decree previously rendered in favor of the complainant. The court also felt that complainant's effort to enforce the prior decree, as well as relief sought

by the complainant in ancillary proceedings in this case, were both proceedings against the State which were not permissible. It ruled that, without passing upon the ultimate merits of the case, it was without jurisdiction of the present proceeding and that the motion of defendant to dismiss was required to be sustained. The complaint was, therefore, dismissed for want of jurisdiction of the court to entertain it.

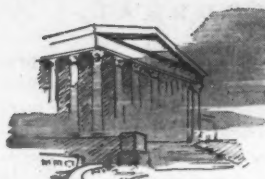
Georgia Railroad & Banking Co. v. Redwine, State Revenue Commissioner, * United States District Court, Northern District of Georgia, July 29, 1949; rehearing denied, October 3, 1949. Spalding, Sibley, Troutman & Kelley of Atlanta, for plaintiff. Eugene Cook, Attorney General, and Claude Shaw, Deputy Assistant Attorney General, for defendant. Commerce Clearing House Court Decisions Requisition No. 421787. (*Appeal filed in the Supreme Court of the United States, November 12, 1949, Docket No. 454. Jurisdiction noted December 5, 1949.*)

* The full text of this opinion is printed in the **State Tax Reporter**, Georgia, page 2341.



Missouri—Senate Bill 210 adds a new section 45a to the General Business Corporation Act which provides for the indemnification of directors or officers of Missouri corporations against liabilities, expenses, counsel fees and costs reasonably incurred in connection with suits or claims related to such directorship or office.

Senate Bill 152 deletes the provisions for the payment of the income tax on an installment basis.



appealed to the supreme court

*The following cases previously digested in The Corporation Journal have
been appealed to The Supreme Court of the United States.**

OCTOBER 1949 TERM

GEORGIA. Docket No. 454. *Georgia Railroad & Banking Company v. Redwine*, United States District Court, Northern District of Georgia, July 29, 1949. (The Corporation Journal, February, 1950, page 92.) Property tax exemption—suit against state in Federal Court. **Appeal filed, November 12, 1949.** Jurisdiction noted, December 5, 1949.

WASHINGTON. Docket No. 500. *Columbia Steel Company v. State of Washington*, 192 P. 2d 976. (The Corporation Journal, October, 1948, page 195.) Business and occupation tax—wholesale sales—shipments in interstate commerce into state. **Petition for writ of certiorari filed, December 27, 1949.**

* Data compiled from CCH U. S. Supreme Court Bulletin, 1949-1950.

Returns of Information at the source.—In a number of states the due dates of returns of information at the source, not being fixed by statute, are fixed annually by the officials or boards with whom they are filed. Such 1950 filing dates have been designated as follows: *February 15*—California, Colorado, District of Columbia, Louisiana, Maryland, Oklahoma, Oregon, Utah and Vermont; *March 1*—Kansas and Minnesota; *March 15*—Alabama, Idaho, Kentucky, Mississippi and Montana.



regulations and rulings

District of Columbia—Those within or subject to the jurisdiction of the District, making payment of salaries, wages, fees, commissions, bonuses or any other compensation for personal services rendered, totaling \$1,000 or more to any individual having a District address at any time during the calendar year 1949, are required to file a return thereof with the Assessor of the District on or before February 15, 1950 on forms to be furnished by the Assessor. (Assessor's Ruling No. 1, District of Columbia Tax Reporter, ¶ 13-950.)

Kentucky—A corporation operating as a jobber and a retailer of billiard and bowling equipment from an Ohio location and making sales in Kentucky through a mail order catalog only, is engaged in interstate commerce and is not subject to taxation in Kentucky. (Opinion of the Attorney General, State Tax Reporter, Kentucky, ¶ .012.)

Any cooperative corporation shall be organized and governed by the General Corporation Act. (Opinion of the Attorney General, State Tax Reporter, Kentucky, ¶ .002.)

An old pipe line should be taxed as real estate if it is imbedded in the ground and located upon an irrevocable or perpetual right of way. (Opinion of the Attorney General, State Tax Reporter, Kentucky, ¶ 20-101.)

Maryland—Caroline County has exercised its option to exempt from the property tax raw materials and finished products in the hands of manufacturers. (State Tax Reporter, Maryland, ¶ 20-214.02.)

Real estate taxes in Montgomery County, Maryland, accrue for Federal income tax purposes on May 1 of each year beginning May 1, 1948. Such taxes accrued on June 30 of each year for the years 1941 to 1947, both inclusive. (Ruling of the Bureau of Internal Revenue, State Tax Reporter, Maryland, ¶ 20-500.016.)

Minnesota—The restated or composite articles of incorporation which are issued under the amended corporation laws of New York, Indiana and Delaware, may be filed by a foreign corporation seeking qualification in Minnesota, to fulfill the requirements that "authenticated copies of its articles of incorporation" must be filed at the time of application for such qualification. (Opinion of the Attorney General to the Secretary of State, State Tax Reporter, Minnesota, ¶ 2-202.)

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Missouri—Magazine subscriptions taken in Missouri by an agent of a foreign publishing company, qualified to do business in Missouri, are subject to the Missouri sales tax when such subscriptions are mailed to the publisher outside the state, the sale being viewed as made and consummated in Missouri. (Opinion of the Attorney General, State Tax Reporter, Missouri, ¶ 64-729.)

Nebraska—Where beams or any other forms of tangible personal property are stored in a warehouse for an indefinite period, they constitute a part of the general mass of the property in the state, have acquired a permanent situs in Nebraska for purposes of taxation, and must be assessed. (Opinion of the Attorney General, State Tax Reporter, Nebraska, ¶ 2010.)

New Mexico—One who installs air conditioning equipment is adding to or improving property and must be licensed as a contractor. (Opinion of the Attorney General to the Registrar, Contractors' License Board, State Tax Reporter, New Mexico, ¶ 30-555.)

North Carolina—Property on hand in a plant which does not own the property but merely processes it for the owners is taxable to the owners. Property interrupted in transit through the state is not taxable, but when its journey through the state is halted for a definite purpose such as processing, or re-packing for distribution, it becomes subject to the taxing power of the state. (Opinion of the Attorney General, State Tax Reporter, North Carolina, ¶ 20-703.)

The lien of property taxes attaches to real property as of the day it is listed, even though the amount of the tax due is not yet ascertainable. (Opinion of the Attorney General, State Tax Reporter, North Carolina, ¶ 23-054.)

If one of the stores located in a municipality contains the principal office of the chain in North Carolina, such store would be exempt from the municipal chain store tax. (Opinion of the Attorney General, State Tax Reporter, North Carolina, ¶ 53-004.)

A municipality may not levy upon property for non-payment of privilege license taxes. However, a municipality may institute suit for the collection of the tax and issue execution on judgment recovered in the suit. (Opinion of the Attorney General, State Tax Reporter, North Carolina, ¶ 33-003.)

Ohio—Where a vendor's records failed to separate taxable from non-taxable sales and the amount of taxable sales shown by his returns did not correspond to the amount of such sales as shown by an audit of his records, it was fair and proper to determine the percentage of such vendor's gross sales which were taxable by making an analysis or spot check of his business over an agreed period of time, and to use the percentage of gross sales found to be taxable as the basis for determining the amount of the vendor's taxable sales. (Ruling of Ohio Board of Tax Appeals, State Tax Reporter, Ohio, ¶ 65-609.32.)



some important matters

for February and March

This Calendar does not purport to be a *complete* calendar of all matters requiring attention by corporations in any given state. It is a condensed calendar of the more important requirements covered by the *State Report and Tax Bulletins* of The Corporation Trust Company. Attorneys interested in being furnished with timely and complete information regarding *all* state requirements in any one or more states, including information regarding forms, practices and rulings, may obtain details from any office of The Corporation Trust Company or C T Corporation System.

Alabama—Annual Franchise Tax Return due between January 1 and March 15.—Domestic and Foreign Corporations.

Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Annual Franchise Tax due April 1, but may be paid without penalty until April 30.—Domestic and Foreign Corporations.

Alaska—Annual Report due within 60 days from January 1.—Domestic and Foreign Corporations.

Income Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Arizona—Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Annual Statement of Mining Companies due between January 1 and April 1.—Domestic and Foreign Corporations engaged in mining of any kind.

Arkansas—Franchise Tax Report due on or before March 1.—Domestic and Foreign Corporations.

California—Returns of Information at the source and Returns of Tax Withheld at the source due on or before February 15.—Domestic and Foreign Corporations.

Franchise (Income) Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Colorado—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Annual Report due on or before March 15.—Domestic and Foreign Corporations.

Connecticut—Annual Report due on or before February 15 (if corporation was organized or qualified between January 1 and June 30 of any previous year).—Domestic and Foreign Corporations.

Income (Franchise) Tax Return due on or before April 1.—Domestic and Foreign Corporations.

District of Columbia—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

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- Dominion of Canada**—Returns of Information at the source due on or before February 28.—Domestic and Foreign Corporations.
- Georgia**—Report of Resident Stockholders and Bondholders due on or before March 1.—Domestic and Foreign Corporations.
Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.
Intangible Property Tax Return due on or before March 15.—Domestic and Foreign Corporations.
- Idaho**—Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.
- Illinois**—Annual Report due between January 15 and February 28.—Domestic and Foreign Corporations.
- Iowa**—Income Tax Return and Returns of Information at the source due on or before March 31.—Domestic and Foreign Corporations.
Return of Tax Withheld at the source due on or before March 31.—Domestic and Foreign Corporations.
- Kansas**—Returns of Information at the source due on or before March 1.—Domestic and Foreign Corporations.
Annual Report and Franchise Tax due on or before March 31.—Domestic and Foreign Corporations.
- Kentucky**—Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.
- Louisiana**—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.
Capital Stock Statement due on or before March 1.—Foreign Corporations.
- Maine**—Annual License Fee due or before March 1.—Foreign Corporations.
- Maryland**—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.
Returns of Tax Withheld at the source due on or before February 15.—Domestic and Foreign Corporations.
Income Tax Return due on or before April 15.—Domestic and Foreign Corporations.
- Massachusetts**—Returns of Information at the source due on or before March 1.—Domestic and Foreign Corporations.
- Minnesota**—Returns of Information at the source due on or before March 1.—Domestic and Foreign Corporations.
Income Tax Return due on or before March 15.—Domestic and Foreign Corporations.
Annual Report due between January 1 and April 1.—Foreign Corporations.
- Mississippi**—Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.
Income Tax Returns due on or before March 15.—Domestic and Foreign Corporations.

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Missouri—Returns of Information at the source due on or before March 1.—Domestic and Foreign Corporations.

Annual Franchise Tax Report due on or before March 1.—Domestic and Foreign Corporations.

Income Tax Returns due on or before March 31.—Domestic and Foreign Corporations.

Montana—Annual Report of Capital Employed due between January 1 and March 1.—Foreign Corporations qualified after February 27, 1915.

Annual Report of Net Income due on or before March 31.—Domestic and Foreign Corporations.

Annual Report due on or before March 1.—Domestic and Foreign Corporations.

Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Nebraska—Statement to Tax Commissioner due on or before March 10.—Domestic and Foreign Corporations.

Nevada—Annual Statement of Business due not later than the month of March.—Foreign Corporations.

New Hampshire—Annual Return due on or before April 1.—Domestic and Foreign Corporations.

Franchise Tax due on or before April 1.—Domestic Corporations.

New Mexico—Franchise Tax Return due on or before March 15.—Domestic and Foreign Corporations.

Return of Information at the source due on or before April 1.—Domestic and Foreign Corporations.

New York—Returns of Information at the source and Returns of Tax Withheld at the source due on or before February 15.—Domestic and Foreign Corporations.

Annual Franchise Tax Report and Tax of Real Estate Corporations due between January 1 and March 1.—Domestic and Foreign Real Estate Corporations.

North Carolina—Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

North Dakota—Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.

Annual Report due between January 1 and April 1.—Foreign Corporations.

Ohio—Annual Franchise Tax Report due between January 1 and March 31.—Domestic and Foreign Corporations.

Annual Statement of Proportion of Capital Stock due between January 1 and March 31.—Foreign Corporations.

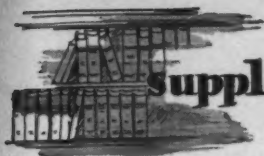
Oklahoma—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.

Income Tax Return due on or before March 15.—Domestic and Foreign Corporations.

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- Oregon**—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.
Excise (Income) Tax Return due on or before April 15.—Domestic and Foreign Corporations.
- Pennsylvania**—Capital Stock Tax Report and Tax, Corporate Loans Report and Tax and Bonus Tax Report due on or before March 15.—Domestic Corporations.
Franchise Tax Report and Tax. Corporate Loans Tax Report and Bonus Tax Report due on or before March 15.—Foreign Corporations.
- Rhode Island**—Annual Report due during February.—Domestic and Foreign Corporations.
- South Carolina**—Annual License Tax Report and Tax due during February.—Domestic and Foreign Corporations.
Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.
- South Dakota**—Annual Capital Stock Report due before March 1.—Foreign Corporations.
- Texas**—Annual Franchise Tax Report due between January 1 and March 15.—Domestic and Foreign Corporations.
- United States**—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.
Income Tax Return due on or before March 15.—Domestic and Foreign Corporations having an office or place of business in the United States.
- Utah**—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.
Income (Franchise) Tax Return due on or before March 15.—Domestic and Foreign Corporations.
- Vermont**—Returns of Information at the source and Returns of Tax Withheld at the source due on or before February 15.—Domestic and Foreign Corporations.
Annual Report due on or before March 1.—Domestic corporations.
Extension of Certificate of Authority due on or before April 1.—Foreign Corporations.
- Virginia**—Returns of Information at the source due on or before February 15.—Domestic and Foreign Corporations.
Annual Franchise Tax due March 1.—Domestic Corporations.
Annual Registration Fee due on or before March 1.—Domestic and Foreign Corporations.
- Wisconsin**—Income Tax Return and Returns of Information at the source due on or before March 15.—Domestic and Foreign Corporations.
Privilege Dividend Tax Return and Tax due on or before March 15.—Domestic and Foreign Corporations.
Annual Report due between January 1 and April 1.—Domestic and Foreign Corporations.





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